

James B. Kobak, Jr.  
Christopher K. Kiplok  
HUGHES HUBBARD & REED LLP  
One Battery Park Plaza  
New York, New York 10004  
Telephone: (212) 837-6000  
Facsimile: (212) 422-4726

Attorneys for James W. Giddens,  
Trustee for the SIPA Liquidation of Lehman Brothers Inc.

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

LEHMAN BROTHERS HOLDINGS INC., *et al.*,  
  
Debtors.

Case No. 08-13555 (JMP)  
(Jointly Administered)

**STATEMENT OF THE SIPA TRUSTEE REGARDING MOTION OF  
LEHMAN BROTHERS HOLDINGS INC. PURSUANT TO SECTIONS 105 AND 363  
OF THE BANKRUPTCY CODE FOR APPROVAL OF TWO NOTE PURCHASE  
AGREEMENTS WITH THE INSOLVENCY ADMINISTRATOR OF LEHMAN  
BROTHERS BANKHAUS AG (IN INSOLVENZ)**

James W. Giddens (the “Trustee”), as Trustee for the SIPA liquidation of Lehman Brothers Inc. (“LBI”), by and through his undersigned counsel, respectfully submits this statement regarding the Motion of Lehman Brothers Holdings Inc. Pursuant to Sections 105 and 363 of the Bankruptcy Code for Approval of Two Note Purchase Agreements with the Insolvency Administrator of Lehman Brothers Bankhaus AG (In Insolvenz) (the “Motion,” Docket No. 14,743).<sup>1</sup>

1. The Motion seeks authorization to consummate complex transactions that would enable the Debtors to consolidate control of the Notes and thereby preserve the value of

---

1. Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

the Debtors' investment through the active management of the Underlying Assets and the ability to potentially unwind or dissolve the Issuers where appropriate. Given LBI's continuing ownership interests in the Notes and the Underlying Assets, the Trustee reviewed certain additional documentation provided by the Debtors and discussed the transactions with the Debtors' professionals. The Trustee cannot take any position on the reasonableness of the valuation of these transactions without further information, which he has so far not obtained, but does not object to the stated purposes of the Motion in concept.

2. In filing this Statement, the Trustee does not consent to any change in LBI's ownership rights in the Notes and the Underlying Assets which do not appear to be affected by the documents supporting the transactions. The Trustee reserves all rights with respect to any future disposition of the Underlying Assets and Notes or measures taken to unwind or dissolve the Issuers or realize value from the Notes and Underlying Assets.

Dated: New York, New York  
March 17, 2011

Respectfully submitted,

HUGHES HUBBARD & REED LLP

By: /s/ James B. Kobak, Jr.  
James B. Kobak, Jr.  
Christopher K. Kiplok  
One Battery Park Plaza  
New York, New York 10004  
Telephone: (212) 837-6000  
Facsimile: (212) 422-4726  
Email: [kobak@hugheshubbard.com](mailto:kobak@hugheshubbard.com)

Attorneys for James W. Giddens,  
Trustee for the SIPA Liquidation of  
Lehman Brothers Inc.